Department of Ecology – Water Quality Financial Assistance Council Meeting

July 19, 2017

In Attendance: Shelly McMurry, Pat Brommer, Daniel Thompson, David Dunn, Don Gatchalian, James Kelly, Bruce Lund, Dave Caterson, Bob Amrine, Kahle Jennings, Jeremy Simmons, Dan Kaplan, Ben Rau, Don Seeberger, Brian Cochrane, Jessica Schwing

Welcome and Introductions, **Shelly McMurry**

Legislation and Budget update, <u>leff Nejedly</u> and Don Seeberger

Budget update-

There is no capital budget at this time. Thursday is the deadline for the second special session. Ecology sent out suspension letters to all the existing agreements. The legislature passed a operating and re-appropriation budget so existing projects can proceed. It looks like HB 1075 Bill is a decent compromise. It has a good budget for Ecology funding programs:

- \$210 for SRF
- Centennial \$35M (funds one year of projects). We keep talking about changing list process to project 2nd year of biennium. Future talk more about how we use the list process to support 2 year funding request. We used to get 2 years of budget.
- Stormwater \$30M-restore old, \$25 for new stormwater projects, and \$39M in delayed projects.

State match for SRF cap grant was put into the budget as a direct appropriation. We need it as treasurer's transfer into account 727. Ecology is working to try to get it fixed.

The budget includes a State Bond Construction Account (SBCA) bond swaps of \$70-80M to fix the MTCA shortfall. The hang up of passing the capital budget is because the Republicans are holding out for a solution related to the Hirst bill related to water rights.

Our FY18 IUP is ready to finalize but we have to wait for a budget. If there was no capital budget.

Legislative update-

Ecology is sponsoring a bill to change the operator certification fee program. Operator certification fees have been set at a fixed rate in Washington state statute for the past 35 years. This rate does not reflect the current increases in cost of living, program operation costs, and inflation. Ecology's Water Quality Program state General Fund appropriations have been reduced over the past three biennia to the point that the revenue no longer supports the program. Revenue to operate the program is being pulled from water quality permit fees and is not

sustainable. Lack of adequate funding jeopardizes the program, and therefore public health and clean water.

- The Wastewater Operator Certification Program is critical to making sure water is safe for the public and environment.
- The program makes sure wastewater treatment plant operators have the necessary skills to operate complex water treatment systems so the discharged wastewater does not harm the environment.
- We would like to modernize the fee system and enable it to cover the costs of operating the program.

We propose eliminating the current statutory fee and replacing it with a modern fee system that will be dynamic to changes over time. This new fee system will fully fund the program.

Other updates

- Lola Florez was hired in the National Estuary Program financial manager
- King County is in the running for WIFIA funds for their Georgetown treatment (CSO) project totaling \$128M requested. There are 43 nationwide projects totaling \$1-2 B being considered. Ecology will be interested in lessons learned.
- The SFY19 funding cycle is planned to open 8/14/17.

SRF and Centennial potential rule revisions WAC, <u>Daniel Thompson</u>

Ecology is in process of finalizing response to comments. They won't be finalized until Maia, Ecology's Director approves. 8/9 is the date her approval is scheduled. There were 16 comments. 5 people showed up to the public hearing. Some of the comments included:

- 1. A request to allow us to develop a Sponsorship program.
- 2. To expand a definition to allow purchase of land for water quality protection.
- 3. To expand eligibility to include mine reclamation and funding of publically owned industrial wastewater treatment facilities.

Look for announcement after 8/9. Thank you to FAC for providing input, advice and guidance.

EAGL Mapping Guidance and Demo, Shelly McMurry

Ecology is working on an enhancement to EAGL that would allow our users to map their project areas by going into a "Editor map" that our GIS staff created. This will be used to automatically calculate other locational information that is currently being entered by recipients and not always accurate. This includes Leg district, HUC, WRIA, etc. Please see presentation/demo "EAGLRecipient7-3-17.pdf".

Sewer Rate Study Results, **David Dunn** and **Eliza Keeley-Arnold**

Eliza and David are working on updating our sewer rate information for single family rates.

Ecology standardized monthly rates to include 1000 cubic feet (cf) of water consumption (~250 gallons/day). Individual household bills may vary. For more details and to see the standardized rates, please see the "SewerRateSurvey_FactSheet.docx"

Feedback from FAC:

- They would like to see the ratio of rates to MHI.
- Be sure to state what this is appropriate to be used for. What is it designed to tell us. What it is developed for and appropriate to be used for. Consider relationship with number of communities that aren't sewered. We don't want "fake news".
- What are the plans going forward-How often to update? 2006 was the last survey. We knew they are out of date. Not sure how often.
- How can it be accessed? When the agency website is modified, it will be made available.
- Do we know which of the communities have addressed increased nutrient water quality standards?
- AWC would like to partner.
- It would be powerful to merge all utility rates and partnership with DOH.

Needs Survey Planning for Stormwater and Small Communities, <u>David Dunn</u> and <u>Eliza Keeley-Arnold</u>

See presentation, "FAC SRS CWNS_7_17-17.pdf"

Feedback from FAC-What data should we be looking for? What do you want to see?

- We need to better show the needs annually and semiannually
- Looking at Capital Improvement Plan's (CIP) or survey? They plan to start looking at CIP's. Stormwater usually isn't in CIP's.
- CIP's tend to be "wishlists" delegitimizes the data. Only good for six years out.
- Looking at water quality, capacity or replacement
- CIP's are based on GMA-Growth
- Could possibly use the GMA plans
- Sometimes communities don't break out needs by transportation or water/sewer.
- Information in permits might help identify need.
- Needs versus wish for septic system
- Include information to communities/guidance for what communities to could include in CIP's in the future to help gather this data in the future.
- Ask about emerging contaminants issues.

Clean Water Guidance for Agricultural Practices (BMP's)-Ben Rau

The Department of Ecology has finalized the process design for developing our Voluntary Clean Water Guidance, and we are now opening up our solicitation for advisory group participants.

Our goal is to have participants with diverse backgrounds, farming experiences, and technical expertise. We are looking for representatives from the agricultural community, public and private research institutes or organizations, academia, government (federal, state, local, and tribal), non-government organizations, and other relevant interest areas.

More information on the advisory group can be viewed at the website link below. This webpage also includes details on the application process, and the types of qualifications we are looking for in potential advisory group participants, as well as the process design document and the response to comments received during the public review of the draft process design document.

Ecology webpage: Voluntary Clean Water Guidance for Agriculture

We are requesting that interested candidates submit letters of interest by **July 18, 2017** to Ben Rau at ben.rau@ecy.wa.gov. Ecology will review the information submitted by candidates, and select participants by early August.

If you have questions or we can be of further assistance, please contact Ben Rau at 360-407-6551, or via e-mail at Ben.Rau@ecy.wa.gov.

Roundtable

How do we increase participation?

- Important to get small rural counties represented
- Be clear-Need to know the purpose, what it does and the benefit of showing up. Keep pulse on what is going on. Help us get our message out. Ecology can't lobby but FAC participants can.
- Have a meeting is Spokane or Pullman
- Bring in people from stormwater group
- Ecology used to pay for travel
- Having a growth management perspective
- Set up wide angle video option
- Send Bob an e-mail for better conservation district association

Kahle Jennings-City of Centralia analyzed vegetables grown in biosolids to show they are safe. Interesting results. Kahle will send one pager to Shelly

Don Gatchalian-Lower Yakima basin report ready by September 2018. Yakima county is watching state budget. County is trying to decide how to address Hirst case. County looking to buy senior water rights.

Bruce-HB1677 Public works reform bill. Funding was swept from account. There is a loan list and waiting to see if there will be funding. It removed legislative approval for funding list. The bill was passed and sent to the Governor for signature. This bill establishes a Strategic Investment Team, which we will be participating in as a member along with DOH and Commerce. The bill is scheduled for signature today at 1:30. OFM was not supportive of adding Legislators to the PWB, which is in the bill, but not sure this will affect the signing of the bill. The bill will be discussed at the next Maximizing Resources meeting Aug. 2nd., http://lawfilesext.leg.wa.gov/biennium/2017-

18/Pdf/Bills/House%20Passed%20Legislature/1677-S.PL.pdf